

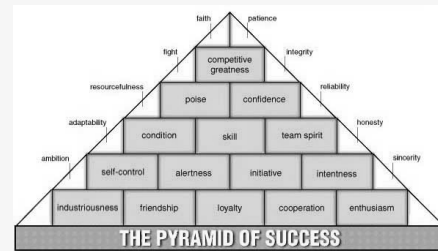
Introduction

W. Edwards Deming offered 14 key principles for management to follow for significantly improving the effectiveness of a business or organization. Many of the principles are philosophical. Others are more programmatic. All are transformative in nature. The points were first presented in his book *Out of the Crisis*. Below is the condensation of the 14 Points for Management as they appeared in the book.

<https://www.deming.org/theman/theories/fourteenpoints>

14 Points

Pyramid of Success



Introduction Seven Deadly Diseases

While the 14 Points for Management can be said to express Dr. Deming's philosophy of transformational management, his Seven Deadly Diseases of Management describe the most serious barriers that management faces to improving effectiveness and continual improvement.

Seven Dead Diseases

1. Lack of constancy of purpose to plan product and service that will have a market and keep the company in business, and provide jobs.
2. Emphasis on short-term profits: short-term thinking (just the opposite from constancy of purpose to stay in business), fed by fear of unfriendly takeover, and by push from bankers and owners for dividends.
3. Evaluation of performance, merit rating, or annual review.
4. Mobility of management; job hopping.
5. Management by use only of visible figures, with little or no consideration of figures that are unknown or unknowable.
6. Excessive medical costs.
7. Excessive costs of liability, swelled by lawyers that work on contingency fees.

Deming, W. Edwards (2011-11-09). *Out of the Crisis* (pp. 97-98). MIT Press.

A Lesser Category of Obstacle

- Neglecting long-range planning
- Relying on technology to solve problems
- Seeking examples to follow rather than developing solutions
- Excuses, such as "our problems are different"
- Obsolescence in school that management skill can be taught in classes
- Reliance on quality control departments rather than management, supervisors, managers of purchasing, and production workers
- Placing blame on workforces who are only responsible for 15% of mistakes where the system designed by management is responsible for 85% of the unintended consequences
- Relying on quality inspection rather than improving product quality

1. Create constancy of purpose toward improvement of product and service, with the aim to become competitive and to stay in business, and to provide jobs.

2. Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.

3. Cease dependence on inspection to achieve quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.

4. End the practice of awarding business on the basis of price tag. Instead, minimize total cost. Move toward a single supplier for any one item, on a long-term relationship of loyalty and trust.

5. Improve constantly and forever the system of production and service, to improve quality and productivity, and thus constantly decrease costs.

6. Institute training on the job.

7. Institute leadership (see Point 12 and Ch. 8). The aim of supervision should be to help people and machines and gadgets to do a better job. Supervision of management is in need of overhaul, as well as supervision of production workers.

8. Drive out fear, so that everyone may work effectively for the company (see Ch. 3).

9. Break down barriers between departments. People in research, design, sales, and production must work as a team, to foresee problems of production and in use that may be encountered with the product or service.

10. Eliminate slogans, exhortations, and targets for the work force asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the work force.

■ Eliminate work standards (quotas) on the factory floor. Substitute leadership.

■ Eliminate management by objective. Eliminate management by numbers, numerical goals. Substitute leadership.

11. Remove barriers that rob the hourly worker of his right to pride of workmanship. The responsibility of supervisors must be changed from sheer numbers to quality.

12. Remove barriers that rob people in management and in engineering of their right to pride of workmanship. This means, inter alia, abolishment of the annual or merit rating and of management by objective..

13. Institute a vigorous program of education and self-improvement.

14. Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job.



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